

January 14, 1976

Senator Stoney--voting no.
Senator Stull--voting no.
Senator Swigart--voting no.
Senator Syas--voting no.
Senator Warner--voting aye.
Senator Wiltse--voting no.

23 ayes, 24 nays, 2 not voting.

PRESIDENT: Motion fails. Senator Cope.

SENATOR COPE: I move that LB 339 be advanced to E & R. We've reviewed this extensively, I'd say, while discussing the amendment. There are several points I want to reemphasize, the positive values to the State of Nebraska, and to individual communities. 1. LB 339 is permissive legislation. The county board of supervisors in each county make the decision to enact this legislation. This is local option, local control, and that's the way it should be. The sole purpose of this bill is to assist in the promotion of tourism and conventions. The Nebraska Department of Tourism is doing a good job. They don't have enough money to do the job that we need done. We believe that the money collected locally and spent locally to promote local attraction of interest can increase tourists and convention traffic substantially. We're all searching for ways to broaden the tax base. This is an innovative and economic way. 3. A good share of these new taxes will be paid by out-of-state people. Other states and cities have a room tax that's used for promotion. Each time that you travel out of state you're helping to promote that state with your tax dollar. Why shouldn't this be reciprocal and let our out-of-state friends help promote Nebraska. Increased tourist traffic and conventions will immediately help motels, hotels, eating establishments, service stations, and related business, but it doesn't stop here. Additional employment in these services, plus the additional income will filter down and help every business and profession in the area. This means a better economy and more people to pay taxes. Increased traffic will not affect the counties that are not participating. It will help every county in the state. Travelers must eat, sleep and buy gas. The governing body of the county will have complete jurisdiction. They only will have the power to levy the tax, select the committee, authorize the budget, etc. The county treasurer is the collector of the taxes. A 3% collection fee is allowed the county treasurer to cover expenses of additional fees available if additional work is done.

This should be a simple process, since there are a limited number of hotels and motels in each county. The county will not only be paid a fee for the services rendered, but they'll have a part in helping to expand the economy and the tax base locally, the revenue, primarily, coming in from out of state travelers. Thank you.